

Union Calendar No. 325

111TH CONGRESS <i>2d Session</i>	}	HOUSE OF REPRESENTATIVES	}	REPORT 111-565
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R E P O R T

ON THE

SUBALLOCATION OF BUDGET ALLOCATIONS FOR FISCAL YEAR 2011

together with

MINORITY VIEWS

SUBMITTED BY MR. OBEY, CHAIRMAN,
COMMITTEE ON APPROPRIATIONS



JULY 26, 2010.—Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

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LETTER OF SUBMITTAL

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, July 26, 2010.

Hon. NANCY PELOSI,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: By direction of the Committee on Appropriations, I submit herewith the Committee's report on the sub-allocation of budget allocations for fiscal year 2011.

As required by section 302(b) of the Congressional Budget Act of 1974, this report subdivides the allocation of fiscal year 2011 spending authority to the House Committee on Appropriations contained in H. Res. 1493, providing for budget enforcement for fiscal year 2011.

Sincerely,

DAVID R. OBEY,
Chairman.

Union Calendar No. 325

111TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
 2d Session } 111-565

REPORT ON THE SUBALLOCATION OF BUDGET ALLOCATIONS FOR FISCAL YEAR 2011

JULY 26, 2010.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. OBEY, from the Committee on Appropriations,
submitted the following

R E P O R T

together with

MINORITY VIEWS

SUBALLOCATION OF BUDGET ALLOCATIONS FOR FISCAL YEAR 2011

The Committee on Appropriations submits the following report
on the suballocation of budget allocations for fiscal year 2011 pur-
suant to section 302(b) of the Congressional Budget Act of 1974.
This report is consistent with the “Budget Allocations” presented in
H. Res. 1493, providing for budget enforcement for fiscal year 2011.

[In millions of dollars]

Subcommittee	Discretionary	Mandatory	Total
Agriculture, Rural Development, Food and Drug			
Administration:			
Budget authority.....	23,100	111,874	134,974
Outlays.....	24,746	100,731	125,477
Commerce, Justice, Science:			
Budget authority.....	60,536	256	60,792
Outlays.....	66,891	266	67,157
Defense:			
Budget authority.....	523,870	292	524,162
Outlays.....	589,600	292	589,892
Energy and Water Development:			
Budget authority.....	34,669	.....	34,669
Outlays.....	45,561	.....	45,561
Financial Services and General Government:			
Budget authority.....	24,500	21,153	45,653
Outlays.....	26,481	21,149	47,630
Homeland Security:			
Budget authority.....	43,636	1,300	44,936
Outlays.....	46,117	1,348	47,465
Interior, Environment:			
Budget authority.....	32,240	450	32,690
Outlays.....	33,798	451	34,249
Labor, Health and Human Services, Education¹:			
Budget authority.....	176,412	560,777	737,189
Outlays.....	207,982	561,975	769,957
Legislative Branch:			
All except Senate:			
Budget authority.....	3,649	133	3,782
Outlays.....	3,866	131	3,997
Senate items:			
Budget authority.....	1,007	.....	1,007
Outlays.....	799	.....	799
Total Legislative:			
Budget authority.....	4,656	133	4,789
Outlays.....	4,665	131	4,796
Military Construction, Veterans Affairs:			
Budget authority.....	75,998	69,190	145,188
Outlays.....	80,895	69,000	149,895

[In millions of dollars]

Subcommittee	Discretionary	Mandatory	Total
State, Foreign Operations:			
Budget authority.....	53,983	159	54,142
Outlays.....	51,287	159	51,446
Transportation, HUD:			
Budget authority.....	67,400	.....	67,400
Outlays.....	136,446	.....	136,446
Grand total:			
Budget authority.....	1,121,000	765,584	1,886,584
Outlays.....	1,314,469	755,502	2,069,971

SBDV 2011-1

¹ Within the Labor, Health and Human Services, Education Subcommittee, the President requested that funding for Pell Grants (\$23.162 billion) and a portion of LIHEAP (\$1.8 billion) be mandatory instead of discretionary. Since Congress has not enacted this change, the Subcommittee's discretionary allocation includes this funding. The funding included is equal to the President's request. This is the same way this situation was handled in the FY 2010 allocation.

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 1

Date: July 20, 2010

Measure: Report on the Suballocation of Budget Allocations, FY 2011

Motion by: Mr. Lewis

Description of Motion: To amend the suballocations to decrease total discretionary spending by \$31,329,000,000, excepting defense, veterans and homeland security spending.

Results: Rejected 21 yeas to 36 nays.

Members Voting Yea

Mr. Aderholt
Mr. Alexander
Mr. Bonner
Mr. Calvert
Mr. Carter
Mr. Cole
Mr. Crenshaw
Mr. Culberson
Mrs. Emerson
Mr. Frelinghuysen
Ms. Granger
Mr. Kingston
Mr. Kirk
Mr. Latham
Mr. LaTourette
Mr. Lewis
Mr. Rehberg
Mr. Rogers
Mr. Simpson
Mr. Wolf
Mr. Young

Members Voting Nay

Mr. Berry
Mr. Bishop
Mr. Boyd
Mr. Chandler
Mr. Davis
Ms. DeLauro
Mr. Dicks
Mr. Edwards
Mr. Farr
Mr. Fattah
Mr. Hinchey
Mr. Honda
Mr. Israel
Mr. Jackson
Ms. Kaptur
Mr. Kennedy
Ms. Kilpatrick
Ms. Lee
Mrs. Lowey
Ms. McCollum
Mr. Mollohan
Mr. Moran
Mr. Murphy
Mr. Obey
Mr. Olver
Mr. Pastor
Mr. Price
Mr. Rodriguez
Mr. Rothman
Ms. Roybal-Allard
Mr. Ruppersberger
Mr. Ryan
Mr. Salazar
Mr. Schiff
Mr. Serrano
Ms. Wasserman Schultz

ROLL CALL NO. 2

Date: July 20, 2010

Measure: Report on the Suballocation of Budget Allocations, FY 2011

Motion by: Mr. Young

Description of Motion: To amend the suballocations to increase the budget authority allocated to Defense by \$1,327,000,000, and decrease the budget authority allocated to State, Foreign Operations by the same amount; and to increase the discretionary outlays allocated to Defense by \$677,000,000, and decrease the discretionary outlays allocated to State, Foreign Operations by the same amount.

Results: Rejected 20 yeas to 36 nays.

Members Voting Yea

Mr. Aderholt
 Mr. Alexander
 Mr. Bonner
 Mr. Calvert
 Mr. Carter
 Mr. Cole
 Mr. Crenshaw
 Mr. Culberson
 Mrs. Emerson
 Mr. Frelinghuysen
 Ms. Granger
 Mr. Kingston
 Mr. Latham
 Mr. LaTourette
 Mr. Lewis
 Mr. Rehberg
 Mr. Rogers
 Mr. Simpson
 Mr. Wolf
 Mr. Young

Members Voting Nay

Mr. Berry
 Mr. Bishop
 Mr. Boyd
 Mr. Chandler
 Mr. Davis
 Ms. DeLauro
 Mr. Dicks
 Mr. Edwards
 Mr. Farr
 Mr. Fattah
 Mr. Hinchey
 Mr. Honda
 Mr. Israel
 Mr. Jackson
 Ms. Kaptur
 Mr. Kennedy
 Ms. Kilpatrick
 Ms. Lee
 Mrs. Lowey
 Ms. McCollum
 Mr. Mollohan
 Mr. Moran
 Mr. Murphy
 Mr. Obey
 Mr. Olver
 Mr. Pastor
 Mr. Price
 Mr. Rodriguez
 Mr. Rothman
 Ms. Roybal-Allard
 Mr. Ruppersberger
 Mr. Ryan
 Mr. Salazar
 Mr. Schiff
 Mr. Serrano
 Ms. Wasserman Schultz

ROLL CALL NO. 3

Date: July 20, 2010

Measure: Report on the Suballocation of Budget Allocations, FY 2011

Motion by: Mr. Dicks

Description of Motion: To approve the suballocations.

Results: Approved 35 yeas to 20 nays.

Members Voting Yea

Mr. Berry
Mr. Bishop
Mr. Boyd
Mr. Chandler
Mr. Davis
Ms. DeLauro
Mr. Dicks
Mr. Edwards
Mr. Farr
Mr. Fattah
Mr. Hinchey
Mr. Honda
Mr. Israel
Mr. Jackson
Ms. Kaptur
Mr. Kennedy
Ms. Kilpatrick
Ms. Lee
Mrs. Lowey
Ms. McCollum
Mr. Mollohan
Mr. Moran
Mr. Murphy
Mr. Obey
Mr. Olver
Mr. Pastor
Mr. Price
Mr. Rodriguez
Mr. Rothman
Ms. Roybal-Allard
Mr. Ruppersberger
Mr. Ryan
Mr. Schiff
Mr. Serrano
Ms. Wasserman Schultz

Members Voting Nay

Mr. Aderholt
Mr. Alexander
Mr. Bonner
Mr. Calvert
Mr. Carter
Mr. Cole
Mr. Crenshaw
Mr. Culberson
Mrs. Emerson
Mr. Frelinghuysen
Ms. Granger
Mr. Kingston
Mr. Kirk
Mr. Latham
Mr. Lewis
Mr. Rehberg
Mr. Rogers
Mr. Simpson
Mr. Wolf
Mr. Young

**MINORITY VIEWS OF REPRESENTATIVES LEWIS, YOUNG,
ROGERS, WOLF, KINGSTON, FRELINGHUYSEN, TIAHRT,
WAMP, LATHAM, ADERHOLT, EMERSON, GRANGER, SIMP-
SON, CULBERSON, KIRK, CRENSHAW, REHBERG, CARTER,
ALEXANDER, CALVERT, BONNER, LATOURETTE, AND
COLE**

This year for the first time since the enactment of the 1974 Congressional Budget Act, the Democrat controlled U.S. House of Representatives failed to consider and pass a budget. According to the nonpartisan Congressional Research Service, the House has passed a budget every year since the Congressional Budget Act first took effect for fiscal year 1976. This represents a historic and unprecedented failure by the Democrat controlled Congress to meet a basic responsibility on fiscal issues: to annually adopt a spending plan that sets priorities for spending, revenues, deficits and debt for at least the next five years.

Instead, the Democrat Majority resorted to a tortuous procedural sleight-of-hand to evade a direct vote in order to “deem” the adoption of a one-year resolution that provided the Appropriations Committee a topline discretionary amount for FY 2011 while failing to provide a designation for overseas military contingencies despite promising for years that they would never fund the war in Iraq, Afghanistan and elsewhere as an emergency or outside the regular budget process. This unwillingness to pass a real budget was only necessary because of the explosion of debt and deficits unleashed by the reckless spending of Congressional Democrats and the President.

At the same time, Congressional Democrats and the Administration have played partisan games and sought to shift political blame from themselves for their fiscal record. For example, the Administration and many Congressional Democrats claim President Obama inherited some \$11 trillion in deficits over the next decade when he took office in 2009, with more than half of this the result of the Bush Administration and Republican Congresses’ “failure to pay for policies in the past,” principally the 2001 and 2003 tax relief measures, funding for military operations overseas and the 2003 prescription drug benefit.

In reality, since taking office in 2009, President Obama and Congressional Democrats have added \$2 trillion in new spending to the January 2009 CBO baseline that was in place when the President was sworn in, including \$1.6 trillion in new discretionary outlays. Of this, the bulk almost 60 percent—was for discretionary outlays from Democrats’ massive increase in regular discretionary spending, i.e., spending unrelated to either the stimulus or the war. The Democrat Majority has increased non-defense, discretionary spending by over 85 percent from FY 2007 to 2009, and have increased this spending at least another 12 percent so far for FY 2010.

Moreover, projected future deficits are not the result of inherited policies about which the Administration and Congressional Democrats are helpless to control. For example, the President's FY 2011 Budget proposes to continue unchanged almost 75 percent of the past policies they and Congressional Democrats claim contribute to current projected deficits and to do so without paying for them, including:

- Providing Alternative Minimum Tax relief, reducing revenues by \$577 billion according to CBO.
- Extending all the 2001 and 2003 tax relief almost all of which is scheduled to expire at the end of 2010—except for certain upper-income earners and increasing the tax on capital gains/dividends. According to CBO's re-estimate, the President's Budget proposal for these policies would reduce revenues by \$2.2 trillion and increase outlays by \$311 billion over the next 10 years.
- Moreover, these and other expensive policy proposals would also be exempted from the statutory PAYGO law.
- Likewise, the President's Budget or Congressional Democrats could propose policies to "pay for" the Medicare Prescription drug benefit they claim added to today's future deficit projections. They haven't. In contrast they passed a health care bill that exacerbates the current crisis in entitlement spending by failing to control rising federal spending for health care and instead increases the amount of federal resources that will be directed to health care in the future, which will continue to put tremendous pressure on the federal budget.

As a result, as a share of the economy, the President's projected 2010 deficit is 10.3 percent of Gross Domestic Product the largest level since World War II. If the President's Budget was fully implemented, annual deficits would never fall below \$724 billion and would rise above \$1 trillion before the end of the decade, even assuming an economy that has recovered and the end of military operations in Iraq and Afghanistan. Debt held by the public under the President's Budget more than doubles in over 5 years and more than triples over 10 years while federal borrowing would more than quadruple between 2010 and 2020.

Rather than beginning to tackle this fiscal disaster by restraining spending, bringing down today's unsustainable trillion dollar deficits and restoring confidence in Washington, the Obey FY 2011 spending allocations adopted by the House Appropriations Committee on July 20, 2010 would continue Democrats' explosion of irresponsible spending and further endanger the current economic recovery as well as our future economic prosperity with more added deficits and debt.

The Democrat 302(b) suballocations for this fiscal year would further increase discretionary spending well above the already bloated 2010 enacted level. Chairman Obey's allocation represents a \$31.3 billion increase or almost 3 percent over the 2010 regular budget levels, excluding the \$23 billion in new gross domestic spending Democrats added to an emergency troop funding bill intended to support operations in Iraq, Afghanistan and in the Global War Against Terror. This year's allocation would add an additional \$108 billion in outlays to the current CBO March baseline deficits over

the next decade if it is built into the base, including an additional \$21 billion in new borrowing.

The Republican Members of the Committee could not and unanimously did not support this continued across the board spending increase and fiscal recklessness and opposed adoption of Chairman Obey's proposed 302(b) suballocations.

In contrast, the Republican Members of the Appropriations Committee recognize the Nation can't afford another trillion dollar Democrat spending spree or the massive borrowing that will be needed to finance it, which would lead to higher taxes in the future on American families, small businesses and entrepreneurs. CBO's recent report on the Long-Term Budget Outlook shows that under our current budget path, U.S. debt will soon reach unsustainable levels and put us in the same situations now faced by Greece and other European nations.

Aside from adopting a real budget that sets priorities and forces tough choices, the first step to restore fiscal responsibility is to take immediate action to get spending under control. As a starting point, during the nine subcommittee mark ups that have taken place through July 15th, Committee Republicans offered at least 18 amendments to reduce non-security spending in the FY 2011 appropriation bills. All together, Republican amendments would have saved \$73 billion in budget authority in FY 2011 and \$104 billion over the next decade, if not more. This would have translated into \$129 billion in deficit reduction compared to the House Democrat allocation, including \$36 billion in lower borrowing costs. Almost without exception, Democrat Members of the Committee voted against every Republican amendment to save taxpayer dollars. Committee Republicans would also bring a rescission bill to the House floor to rescind the remaining billions in unobligated money from the Democrats' failed 2009 stimulus bill.

Additionally, Appropriation Republicans proposed an alternative FY 2011 spending allocation to Chairman Obey's at the July 20th full committee mark up that would have provided \$1.09 trillion in regular discretionary spending, the same as last year's level, and put the brake on the runaway growth in discretionary spending by the Democrat Majority.

This responsible spending plan would have saved the taxpayer \$31 billion this year alone compared to the Obey allocation and at least \$39 billion, if not more, compared to the President's Budget request. And by ensuring the Democrat spending increase was not permanently added to future budgets, the Republican plan saved \$341 billion in budget authority over the next decade compared to the House Democrat allocation.

Moreover the Republican alternative 302(b)s would have restored \$7 billion in harmful Democrat cuts to defense and security spending that could impair our military readiness and national security. Instead it would have fully funded the President's Budget request for defense and security activities in order to provide a strong military, protect Americans at home and abroad as well as ensure continued medical care and critical assistance for our Nation's veterans. At the same time the allocation would still provide a sensible level of non-security spending for key investments in areas

such as education, medical research, and transportation among others.

The responsible path would have been to adopt the Republican savings plan for FY 2011, taking a small first step toward reigning in out of control spending and lowering the deficit. Instead, every Democrat Member of the Committee voted against the Republican 302(b) proposal to restrain spending and restore unnecessary defense cuts.

Republicans also offered an amendment to Chairman Obey's 302(b) allocations that would have restored a \$1.3 billion cut to the Defense subcommittee. The State-Foreign Operations bill that was passed out of the subcommittee on June 30th was already an overly generous \$3.9 billion or 8 percent increase over last year. Inexplicably this bill received another \$1.3 billion in the Chairman's 302(b) suballocations, taken from the Defense subcommittee, thus bringing the State-Foreign Operations bill to 11 percent over the enacted 2010 level. This double-digit rate of increase for foreign aid and diplomatic operations is out of step with the fiscal challenges facing the country today. Unfortunately this Republican amendment to restore critical troop funding for equipment and military quality of life was opposed by every Democrat Member of the Committee.

The sky-rocketing spending over the past three years by the Democrat majority has led to devastating levels deficits and debt that are stifling our nation's recovery and threaten our future economic prosperity. Congress must act now to control this spending and avoid burdening future generations with an unmanageable debt burden that risks our Nation's continued economic prosperity.

JERRY LEWIS.
HAROLD ROGERS.
JACK KINGSTON.
TODD TIAHRT.
TOM LATHAM.
JO ANN EMERSON.
MICHAEL K. SIMPSON.
MARK STEVEN KIRK.
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JO BONNER.
TOM COLE.
KEN CALVERT.
STEVEN C. LATOURETTE.

House Appropriation Republicans Alternative 302(b)s
 Regular Discretionary
 (Budget authority, in millions)

The Republican Alternative Spending Allocation

- * Holds overall discretionary to last year's level, saving the taxpayer \$31 billion compared to Obey and \$38 billion compared to the President.
- * This allocation restrains the explosive growth in non-security spending that has occurred since 2007.
- * Fully funds the President's request for defense, homeland security and veterans. The Obey allocation cuts defense by \$7 billion.
- * Republicans also propose to rescind \$15 billion in unobligated stimulus funding in a rescission bill.

	FY 2011			FY 2010			Republican Alternative Compared to:			
	Presidents Request	Obey Request	Repub. 302(b)s Alternative	Dollars	Pct.	Dollars	Pct.	Dollars	Pct.	
Domestic and International Spending										
Agriculture, Rural Development, FDA.....	23,129	23,100	22,237	-1,067	-5%	-892	-4%	-863	-4%	
Commerce, Justice, Science.....	64,315	60,539	58,052	-6,263	-10%	-2,487	-4%	-2,484	-4%	
Energy and Water Development.....	35,344	34,669	31,991	-1,474	-4%	-3,352	-9%	-2,678	-8%	
Financial Services and General Government.....	24,186	25,253	24,500	-1,102	-5%	-2,169	-9%	-1,416	-6%	
Interior, Environment.....	32,377	32,240	30,815	-1,425	-4%	-1,573	-5%	-1,425	-4%	
Labor, Health and Human Services, Education.....	163,585	170,611	176,412	166,907	-6,678	-4%	-13,704	-8%	-19,505	-11%
Legislative Branch.....	4,656	5,134	4,656	4,335	-321	-7%	-789	-15%	-321	-7%
State, Foreign Operations.....	48,784	56,646	53,983	46,678	-2,086	-4%	-9,978	-18%	-7,305	-14%
Transportation, HUD.....	67,900	68,738	67,400	65,049	-2,851	-4%	-3,692	-5%	-2,351	-3%
Domestic and International Spending, Subtotal	462,415	477,771	477,496	439,148	-23,267	-5%	-38,636	-8%	-38,348	-8%
Defense, Security and Veterans Spending										
Defense.....	508,122	530,941	523,870	530,891	22,769	4%	-50	0%	7,021	1%
Homeland Security.....	42,534	43,636	43,636	43,636	1,102	3%	0	0%	0	0%
Military Construction, Veterans Affairs.....	76,600	75,997	75,998	75,996	-604	-1%	-1	0%	-2	0%
Security Spending, Subtotal.....	627,256	650,574	643,504	650,523	23,267	4%	-51	0%	7,019	1%
Total, Regular Discretionary.....	1,089,671	1,128,345	1,121,000	1,089,671	0	0%	-38,674	-3.4%	-31,329	-3%

All figures assume appropriated Pell Grant funding is discretionary. The President's FY 2011 Budget proposed shifting Pell grants to mandatory spending.
 Totals exclude all enacted or proposed emergency funding or funding for the Global War Against Terrorism.